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BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES

Application Number: 09/909,686
Filing Date: July 20, 2001
Appellant(s): AYALA ET AL.

Steven R. Bartholomew
<u>For Appellant</u>

EXAMINER'S ANSWER

This is in response to the appeal brief filed September 6, 2007 appealing from the Office

action mailed April 6, 2007.

(1) Real Party in Interest

A statement identifying by name the real party in interest is contained in the brief.

(2) Related Appeals and Interferences

The examiner is not aware of any related appeals, interferences, or judicial proceedings which will directly affect or be directly affected by or have a bearing on the Board's decision in the pending appeal.

(3) Status of Claims

The statement of the status of claims contained in the brief is correct.

(4) Status of Amendments After Final

The appellant's statement of the status of amendments after final rejection contained in the brief is correct.

(5) Summary of Claimed Subject Matter

The summary of claimed subject matter contained in the brief is correct.

(6) Grounds of Rejection to be Reviewed on Appeal

The appellant's statement of the grounds of rejection to be reviewed on appeal is correct.

(7) Claims Appendix

The copy of the appealed claims contained in the Appendix to the brief is correct.

(8) Evidence Relied Upon

6,006,196	FEIGIN ET AL.	12-1999
H1743	GRAVES ET AL.	8-1998
2002/0072986	ARAM	6-2002

(9) Grounds of Rejection

The following ground(s) of rejection are applicable to the appealed claims:

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all

obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set
> forth in section 102 of this title, if the differences between the subject matter sought to be patented and
> the prior art are such that the subject matter as a whole would have been obvious at the time the
> invention was made to a person having ordinary skill in the art to which said subject matter pertains.
> Patentability shall not be negatived by the manner in which the invention was made.

Claims 1-2, 6-7, 9-10, 13-18, 22-23, 25-26, and 29-32 are rejected under 35

U.S.C. 103(a) as being unpatentable over U.S. Patent No. 6,006,196 to Feigin et al.

in view of U.S. Statutory Invention Registration No. H1743 to Graves et al.

Regarding claims 1, 9,14-17, and 29-32, Feign discloses a computer-

implemented method and a storage medium encoded with machine- readable computer

program code for managing inventory comprising: receiving an updated demand

forecast and updated demand forecast (col. 5, lines 49-col. 6, line 2; col. 2, lines 22-52);

selecting a search criteria for determining projected periods of supply (col. 3, lines 19-

25; col. 5, lines 39-43); and; determining for a given time period: projected inventory

level using the projected data, supplier commitment data, and prior periods' projected

inventory levels; and projected days of supply of inventory using the projected inventory

level for a current item period and projected forecast data for subsequent periods (col.

6, lines 3-17; col. 7, lines 57-col. 8, line 3).

Feigin does not explicitly dislcose extracting current data related to said search

criteria, the current data including supplier commitment data; the data including a

quantity of said stock item expected to be consumed during at least one of said number

of specified time periods and when said projected days of supply is out of a

predetermined range for a given time period, taking a corrective action; and the

projected days of supply is measured in time increments including one of days, weeks,

and months **(claims 9 and 29)**; the corrective action includes modifying the supplier

commitment data, delaying a shipment, and increasing the supplier commitment data

(Claims 14-16 and 30-32). Feigin discloses the management of inventory that

comprises a distribution resource-planning engine (DRP) (Col. 1, lines 7-10). The DRP

comprises an input means for inputting to the engine information derived from a

database, a forecasts engine, and an inventory planning engine comprising inventory

status, planning parameters, and demand forecasts; a logic means; and an output

means for output means (col. 2, lines 37-52).

Graves, on the other hand, teaches extracting current data related to said search

criteria, the current data including supplier commitment data (col. 10, line 59- col. 11,

line 9; col. 14, lines 5-13; col. 17, lines 28-59); the data including a quantity of said stock item expected to be consumed during at least one of said number of specified time periods and when said projected days of supply is out of a predetermined range for a given time period, taking a corrective action; and the projected days of supply is measured in time increments including one of days, weeks, and months **(claims 9 and 29)**; the corrective action includes modifying the supplier commitment data, delaying a shipment, and increasing the supplier commitment data **(Claims 14-16 and 30-32)** (col. 2, lines 29-34; col. 2, lines 63 – col. 3, line 6; col. 3, lines 48-65; col. 4, lines 57-62; col. 6, lines 50-55; col. 10, lines 59-67; col. 11, lines 1-18).

Therefore, it would have been obvious to one of ordinary skill in the art at the time of the invention was made to modify the method and storage medium encoded with machine-readable program of Feigin, to include extracting current data related to said search criteria, the current data including supplier commitment data; the data including a quantity of said stock item expected to be consumed during at least one of said number of specified time periods and when said projected days of supply is out of a predetermined range for a given time period, taking a corrective action; and the projected days of supply is measured in time increments including one of days, weeks, and months; the corrective action includes modifying the supplier commitment data, delaying a shipment, and increasing the supplier commitment data, as taught by Graves, in order to provide a mechanism by which the delivery of new, replacement supplies can be shifted forward or delayed (Graves col. 1, lines 37-39), thus providing

an automatic ordering method in which new supplies are ordered with minimum human intervention (Graves, col. 1, lines 48-50).

Regarding claims 2, 6-7, 13, 18, 22-23, and 25, Feigin the given time period is established by at least one of a supplier and manufacturer (Figure 1; col. 5, lines 35-48; col. 6, lines 3-18); the number of convenient time periods includes selected horizon (col. 3, lines 19-52 col. 6, lines 3-18); the number of convenient time periods is measured in increments of time, the increments include one of: days, weeks, and months (col. 3, lines 28-35); the supplier commitment data includes a quantity of said stock item a supplier commits to provide for a manufacturer; (col. 3, lines 28-35).

Regarding claims 10 and 26, Feigin discloses the supplier commitment data includes a quantity of the stock item a supplier commits to provide for a manufacturer (col. 3, line 54 – col. 4, line 22); the determining for a given time period the projected inventory level include performing a calculation comprising:

PI (n) = PI(n-1) - F(n-1) + C(n-1), wherein further PI represents a projected inventory value; n represents a variable, the variable representing a time period; F represents a projected forecast value; and C represents a supplier commitment value. (col. 3, line20 – col. 4, line 21; col. 6, lines 3-17).

Claims 3-5, 11-12, 19-21, 27-28, and 33-34 are rejected under 35 U.S.C. 103(a) as being unpatentable over U.S. Patent No. 6,006,196 to Feigin et al. and U.S. Statutory Invention Registration No. H1743 to Graves et al as applied to claims 1 and 17 above, and further in view of U.S. Patent Application Publication No. 2002/0072986 to Aram.

Regarding claims 3-5, 11-12, 19-21, and 27-28, Feigin and Graves substantially

discloses the claimed invention, however, the combination does not explicitly disclose

providing a search criteria including a part number identifying the stock item **(Claims 3**

and 19); part name identifying the stock item **(Claims 4 and 20)**; part description

identifying the stock item **(Claims 5 and 21)**; the predetermined range for the projected

says of supply is established by at least one of manufacturer, and a supplier **(Claims 11**

and 27); the predetermined range for the projected says of supply is a single number

(Claims 12 and 28). The combination discloses the management of inventory that

comprises a distribution resource planning engine (DRP) (Feigin, col. 1, lines 7-10).

The DRP comprises an input means for inputting to the engine information derived from

a database, a forecasts engine, and an inventory planning engine comprising inventory

status, planning parameters, and demand forecasts; a logic means; and an output

means for output means (Feigin, col. 2, lines 37-52).

Aram, on the other hand, teaches providing a search criteria including a part

number identifying the stock item **(Claims 3 and 19)** (abstract); part name identifying

the stock item **(Claims 4 and 20)** (abstract); part description identifying the stock item

(Claims 5 and 21) (abstract); the predetermined range for the projected says of supply

is established by at least one of manufacturer, and a supplier **(Claims 11 and 27)**

(paragraphs 150-151); and the predetermined range for the projected says of supply is

a single number **(Claims 12 and 28)** (paragraphs 150-152) (paragraphs 150-152) .

Therefore, it would have been obvious to one of ordinary skill in the art at the

time of the invention was made to modify the combination, to include providing a search

criteria including a part number, name, description; and the predetermined range for the projected says of supply is established by at least one of manufacturer, and a supplier, as taught by Aram, in order to avoid the risk of letting down a customer by not fulfilling an order (Aram paragraph 150).

Regrinding claims 33-34, Feigin and Graves substantially discloses the claimed invention, and specifically the projected period or time of supply is determined for each time period by performing the calculation of a projected period of supply value, as recited in the claim (Feigin, the objective of DRP logic is to project, for the product and location of interest the following quantities for all future periods, col. 3, lines 31-34). However, the combination does not explicitly disclose the period or time is day.

Aram, on the other hand, discloses the period or time is day in calculating a period of supply value (paragraph 113; paragraph 143; paragraph 145)

Therefore, it would have been obvious to one of ordinary skill in the art at the time of the invention was made to modify the combination, to include the period or time is day in calculating a period of supply value, as taught by Aram, in order to facilitate improved planning ahead (Aram, paragraph 6) thus providing an efficient operation (paragraph 6).

(10) Response to Argument

Appellants remark that "Feigin in view of Graves do not render claims 1 and 17 obvious because they fail to teach, suggest, or render obvious at least the element selecting a search criteria for determining projected days of supply".

The Examiner does not agree. The combination of Feigin and Graves teaches

and suggest, "selecting a search criteria for determining projected days of supply".

Feigin discloses Distribution Resource Planning (DRP) logic, which provides estimates

of at least one of projected future on-hand inventory and replenishment requirements of

a specific product (col. 2, lines 27-31). The DRP engine includes an input means for

inputting to the engine information derived from a database, a forecast engine and an

inventory planning engine that comprises inventory status, planning parameters, and

demand forecasts; a logic means; and an output means for outputting estimates of at

least one of future replenishment requirements and inventory levels of a specific product

(col. 2, lines 36-53). DRP logic involves the recursive calculation of the replenishment

requirements, on-hand inventory, and backordered demand in the future for a specific

product at a specific location (col. 3, lines 21-25). The first step in describing recursion

is to device the future time into a set of discrete period of equal length, indexed by

t=1,2...n, where n is the time horizon of interest (col. 3, lines 24-27). Feigin discloses

that the objective of DRP logic is to project for the specific product (search criteria), the

following quantities for all future periods (col. 3, lines 31-34). The projected quantities

for all future periods include the on-hand inventory, the backordered demand, the

required quantity of product needed, and the recommended quantity (col. 3, lines 34-

45). Graves was cited for teaching the projected days of supply. Graves teaches an

inventory management system, which determines the period of time until the stored

supplies are depleted that is based upon historical data related to the rate of usage of

the supplies (Abstract). For example, the inventory management system predicts

storage tank product levels, based on forecasted and actual usage rates that can be based on a predetermined day of the week (col. 10, lines 59-63)

Such Distribution Resource Planning (DRP) logic of Feigin, which involves the recursive calculation of the replenishment requirements, on-hand inventory, and backordered demand in the future for a specific product; recursion which is to device the future time into a set of discrete period of equal length; the objective of DRP logic is to project, for the specific product (search criteria), the following quantities for all future periods, which include on-hand inventory, the backordered demand, the required quantity of product needed, and the recommended quantity; and the inventory management system of Graves which determines the period of time until the stored supplies are depleted that is based upon historical data related to the rate of usage of the supplies, the predetermined time period can be days are considered "selecting a search criteria for determining projected days of supply".

Appellants remark that "Feigin in view of Graves do not render claims 1 and 17 obvious because they fail to teach, suggest, or render obvious at least the element extracting current data related to said search criteria".

The Examiner does not agree. The combination of Feigin and Graves discloses the "extracting current data related to said search criteria". Feigin was cited for teach the search criteria being the specific product. Furthermore, Feigin discloses Distribution Resource Planning (DRP) engine which includes an input means for inputting to the engine information derived from a database, a forecast engine and an inventory planning engine that comprises inventory status, planning parameters, and demand

forecasts; a logic means; and an output means for outputting estimates of at least one

of future replenishment requirements and inventory levels of a specific product (col. 2,

lines 36-53). The objective of DRP logic is to project for the specific product (search

criteria), the following quantities for all future periods (col. 3, lines 31-34). The projected

quantities for all future periods include the on-hand inventory, the backordered demand,

the required quantity of product needed, and the recommended quantity (col. 3, lines

34-45). Graves was cited for teaching the "extracting current data related to said

search criteria". Graves teaches an inventory management system which includes a

processing unit that receives a predetermined signal to determines usage information of

the consumable supplies over a predetermined period of time and the usage information

being used by the processing unit to project when the consumable supplies will be

completely depleted (col. 2, lines 62-67). Furthermore, the processing unit continuously

receives storage tank level data and projects storage tank levels based upon usage of

the chemical stored. The received data is analyzed by the processing unit to determine

the rate at which the chemical is used. The determined rate of chemical usage is stored

in a database to produce historical record of consumption. The processing unit receives

and evaluates data on a predetermined period of time. (Col. 6, lines 37-46) Using

forecasting algorithms, examining the quantity of chemical used over a predetermined

period of time, the amount of chemical to be used during a future predetermined time

period can be estimated (col. 6, lines 50-53).

Such Distribution Resource Planning (DRP) engine of Feigin which includes an

input means, a logic means, and an output means for outputting estimates of at least

Such Distribution Resource Planning (DRP) engine of Feigin which includes an input means, a logic means, and an output means for outputting estimates of at least one of future replenishment requirements and inventory levels of a specific product; the objective of DRP logic is to project for the specific product (search criteria), the following quantities for all future periods; the inventory management system of Graves which includes a processing unit that receives a predetermined signal to determines usage information of the consumable supplies over a predetermined period of time and the usage information being used by the processing unit to project when the consumable supplies will be completely depleted; and using an algorithm by examining the quantity of chemical used over a predetermined period of time, the amount of chemical to be used during a future predetermined time period can be estimated are considered "extracting current data related to said search criteria".

Appellants remark pertaining to claims 2, 6-7, 9-10, 13-16, 18, 22-23, 25-26, and 29-32.

Claims 2, 6-7, 9-10, 13-16, 18, 22-23, 25-26, and 29-32 are dependent on claims 1 and 17, all claims stand or fall based on the decision of claims 1 and 17.

Appellants remark pertaining to claims 3-5, 11-12, 19-21, 27-28 and 33-34.

Claims 3-5, 11-12, 19-21, 27-28 and 33-34 are dependent on claims 1 and 17, all claims stand or fall based on the decision of claims 1 and 17.

(11) Related Proceeding(s) Appendix

No decision rendered by a court or the Board is identified by the examiner in the

Related Appeals and Interferences section of this examiner's answer.

For the above reasons, it is believed that the rejections should be sustained.

Respectfully submitted,

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